

107TH CONGRESS
2D SESSION

H. R. 4758

To provide a responsible increase in the debt limit, restore fiscal discipline,
and safeguard Social Security.

IN THE HOUSE OF REPRESENTATIVES

MAY 16, 2002

Mr. MOORE (for himself, Mr. DAVIS of Florida, Mr. ETHERIDGE, Mr. ISRAEL, Mr. MORAN of Virginia, Mr. PASCRELL, Mr. POMEROY, Mr. SANDLIN, Mr. SPRATT, Mr. STENHOLM, Mrs. TAUSCHER, and Mr. TURNER) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on the Budget and Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide a responsible increase in the debt limit, restore
fiscal discipline, and safeguard Social Security.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Restore Fiscal Dis-
5 cipline and Safeguard Social Security Act of 2002”.

6 **SEC. 2. FINDINGS AND PURPOSES.**

7 (a) FINDINGS.—The Congress finds the following:

1 (1) When Congress enacted the fiscal year 2002
2 budget resolution, it did so based on the assurance
3 that the Government would balance the budget with-
4 out relying on social security surpluses for the re-
5 mainder of the decade and beyond. Congress was
6 also assured that it would not have to act to increase
7 the statutory debt limit until 2008.

8 (2) The Government is projected to run on-
9 budget deficits that will require it to spend the social
10 security and medicare trust fund surpluses for the
11 rest of the decade, even before additional spending
12 for defense and homeland security is counted, and
13 after the economy recovers and returns to strong
14 growth.

15 (3) The total debt is increasing because we have
16 not kept the commitment to save the social security
17 and medicare trust fund surpluses. The Secretary of
18 the Treasury has formally requested that Congress
19 increase the statutory limit on the public debt by
20 \$750 billion, from the current level of \$5.95 trillion
21 to \$6.70 trillion. Congress will have to vote to raise
22 the debt limit because we have been borrowing those
23 trust fund surpluses to cover a deficit in the rest of
24 the budget instead of saving them.

1 (4) A \$750 billion increase in the debt limit
2 would be the second largest increase in history and
3 is irresponsible in the absence of a framework to
4 protect taxpayers from even further increases in the
5 national debt.

6 (5) Congress should authorize a limited increase
7 in the debt limit to prevent a financial default, but
8 should also work together with the President to de-
9 velop a plan to restore fiscal discipline before further
10 increasing our debt.

11 (6) Current law provides for enforcement of
12 budget resolutions:

13 (A) Legislation violating discretionary
14 spending totals set in a budget resolution or the
15 suballocations set by the Committee on Appro-
16 priations is subject to a point of order under
17 section 302(f) of the Congressional Budget Act
18 of 1974.

19 (B) Legislation reducing receipts below a
20 budget resolution's total is subject to a point of
21 order under section 311(a) of the Congressional
22 Budget Act of 1974.

23 (b) PURPOSE.—The purpose of this Act is—

1 (1) to provide a responsible, measured increase
2 in the debt limit to ensure that the Government
3 meets its current legal obligations;

4 (2) effective immediately thereafter, to limit
5 strictly the size of further increases in the debt limit
6 until the enactment of a plan to bring the budget
7 into balance in five years without reliance on the so-
8 cial security trust fund surplus, such that any larger
9 increase in the debt limit this fall would require a
10 plan to balance the budget in fiscal year 2007, but
11 if this deficit reduction should prove insufficient, the
12 restrictions are automatically reestablished by the
13 next regular semi-annual report of the Congressional
14 Budget Office;

15 (3) to require that the President submit a
16 budget plan before the end of this fiscal year to
17 achieve balance, without reliance on the social secu-
18 rity trust fund surplus, by fiscal year 2007;

19 (4) as a backup and discipline for these debt
20 limit provisions, to establish points of order against
21 any budget resolution that does not within five years
22 and in all subsequent years eliminate any deficits
23 projected by the Congressional Budget Office, with-
24 out reliance on the social security trust fund surplus,
25 using the enforcement provisions in current law to

1 require that all subsequent spending and tax legisla-
 2 tion conform to the budget resolution’s deficit-reduc-
 3 tion plan; and

4 (5) thereby to restore fiscal discipline and to
 5 preserve social security for future retirees.

6 **TITLE I—INCREASE IN DEBT**
 7 **LIMIT**

8 **SEC. 101. INCREASE IN DEBT LIMIT.**

9 (a) INCREASE IN STATUTORY DEBT LIMIT.—Section
 10 3101(b) of title 31, United States Code, is amended by
 11 striking “\$5,950,000,000,000” and inserting
 12 “\$6,100,000,000,000”.

13 (b) POINT OF ORDER.—(1) Effective immediately,
 14 except as provided by paragraph (2) or (3), it shall not
 15 be in order in the House of Representatives or the Senate
 16 to consider any bill, joint resolution, amendment, or con-
 17 ference report that includes any provision that increases
 18 the limit on the public debt above the limit set forth in
 19 section 3101(b) of title 31, United States Code, as in ef-
 20 fect immediately before the date of consideration of that
 21 measure by more than \$100,000,000,000.

22 (2) Except as provided by paragraph (3), any bill or
 23 joint resolution may carry an increase in such limit of
 24 more than \$100,000,000,000 only if the concurrent reso-

1 lution on the budget for the budget year has been adopted
2 and—

3 (A) sets forth or assumes a budget that is in
4 on-budget balance or surplus within 4 fiscal years
5 after the budget year and is in on-budget balance or
6 surplus for every subsequent fiscal year covered by
7 that resolution; and

8 (B) does not contain any reduction in social se-
9 curity benefits.

10 (3) Paragraphs (1) and (2) shall not apply in the
11 House of Representatives or the Senate if the chairman
12 of the Committee on the Budget of the House or of the
13 Senate, as applicable, certifies, based on the report of the
14 Congressional Budget Office pursuant to section
15 202(e)(1) or (2) of the Congressional Budget Act of 1974,
16 whichever report is the most recent, that the budget will
17 be in on-budget balance or surplus within 4 fiscal years
18 after the budget year and is in on-budget balance or sur-
19 plus for every subsequent fiscal year covered by that re-
20 port. If legislation to extend the discretionary spending
21 limits beyond fiscal year 2002 is enacted before the date
22 of release of such report, the Congressional Budget Office
23 shall assume such discretionary spending levels. Any such
24 certification shall only have force and effect until the date
25 of submission of the next report under either such section.

1 **SEC. 102. PRESIDENTIAL PLAN TO BALANCE THE BUDGET.**

2 (a) PRESIDENTIAL PLAN.—The President shall sub-
 3 mit to the Congress by September 30, 2002, a proposal
 4 to bring the budget of the Government (excluding the re-
 5 ceipts and disbursements of the Federal Old-Age and Sur-
 6 vivors Insurance Trust Fund and the Federal Disability
 7 Insurance Trust Fund) into balance or surplus by fiscal
 8 year 2007.

9 (b) SENSE OF CONGRESS.—It is the sense of Con-
 10 gress that the plan described in subsection (a) should be
 11 based on the most recent economic and technical assump-
 12 tions of the Congressional Budget Office.

13 **TITLE II—CIRCUIT BREAKER TO**
 14 **PROTECT SOCIAL SECURITY**

15 **SEC. 201. CIRCUIT BREAKER TO PROTECT SOCIAL SECU-**
 16 **RITY.**

17 (a) CIRCUIT BREAKER POINTS OF ORDER.—(1) Ef-
 18 fective January 1, 2003, whenever the most recent report
 19 of the Congressional Budget Office pursuant to section
 20 202(e)(1) of the Congressional Budget Act of 1974
 21 projects an on-budget deficit for any fiscal year, it shall
 22 not be in order in the House of Representatives or the
 23 Senate to consider any concurrent resolution on the budg-
 24 et that—

25 (A) sets forth or assumes an on-budget deficit
 26 for any such fiscal year that is larger than such

1 Congressional Budget Office projection for that fis-
2 cal year;

3 (B) sets forth or assumes a budget that is not
4 in on-budget balance or surplus within 4 fiscal years
5 after the budget year and is not in on-budget bal-
6 ance or surplus for any subsequent fiscal year cov-
7 ered by that resolution; or

8 (C) contains any reduction in social security
9 benefits.

10 (2) Effective January 1, 2003, whenever the most re-
11 cent report of the Congressional Budget Office pursuant
12 to section 202(e)(1) of the Congressional Budget Act of
13 1974 projects both on-budget surpluses (or a balanced
14 budget) and deficits for the fiscal years included in that
15 report, it shall not be in order in the House of Representa-
16 tives or the Senate to consider any concurrent resolution
17 on the budget that—

18 (A) sets forth or assumes an on-budget deficit
19 for any fiscal year for which such Congressional
20 Budget Office projection for that fiscal year is for
21 an on-budget surplus or balance; or

22 (B) contains any reduction in social security
23 benefits.

24 (b) SUSPENSION OF REQUIREMENT DURING WAR OR
25 LOW ECONOMIC GROWTH.—

1 (1) LOW GROWTH.—If the most recent of the
2 Department of Commerce’s advance, preliminary, or
3 final reports of actual real economic growth indicate
4 that the rate of real economic growth (as measured
5 by real GDP) for each of the most recently reported
6 quarter and the immediately preceding quarter is
7 less than 1 percent, this section is suspended.

8 (2) WAR.—If a declaration of war is in effect,
9 this section is suspended.

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